

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

PLAINTIFFS' CLASS ACTION COMPLAINT

Plaintiffs Anthony Giombetti and Don Vandenheuval ("Plaintiffs") make the following allegations, except as to allegations specifically pertaining to Plaintiffs and Plaintiffs' counsel, based upon the investigation undertaken by Plaintiffs' counsel (which investigation included analysis of publicly available news articles and reports, public filings, securities analysts' reports and advisories about China Sunergy Co. Ltd. ("China Sunergy" or the "Company"), press releases and other public statements issued by the Company, and media reports about the Company) and believes that substantial additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a federal securities class action on behalf of a class consisting of all persons other than Defendants who purchased the common stock of China Sunergy pursuant and/or traceable to the Company's initial public offering on or about May 17, 2007, (the "IPO" or the "Offering") seeking to pursue remedies under the Securities Act of 1933 (the "Securities Act").

JURISDICTION AND VENUE

2. The claims asserted herein arise under and pursuant to Section 11 of the Securities Act [15 U.S.C. §§77k].

3. This Court has jurisdiction of this action pursuant to Section 22 of the Securities Act [15 U.S.C. §77v] and 28 U.S.C. §1331.

4. Venue is properly laid in this District pursuant to Section 22 of the Securities Act and 28 U.S.C. §1331(b) and (c). The acts and conduct complained of herein occurred in substantial part in this District.

5. In connection with the acts and conduct alleged in this Complaint, Defendant, directly or indirectly, used the means and instrumentalities of interstate commerce, including the mails and

telephonic communications and the facilities of the NASDAQ National Market ("NASDAQ"), a national securities exchange.

PARTIES

6. Plaintiffs purchased China Sunergy common stock, as set forth in the certifications attached hereto and incorporated herein by reference, pursuant and/or traceable to the Company's IPO, and were damaged thereby.

7. Defendant China Sunergy and its subsidiaries engage in the design, development, manufacture, and marketing of solar cells in China.

PLAINTIFFS' CLASS ACTION ALLEGATIONS

8. Plaintiffs bring this action as a class action pursuant to Federal Rules of Civil Procedure 23(a) and 23(b)(3) on behalf of themselves and all persons other than defendants who purchased the common stock of China Sunergy pursuant and/or traceable to the Company's IPO. Excluded from the Class are the Defendant herein, members of the immediate family of the Defendant, any person, firm, trust, corporation, officer, director or other individual or entity in which the Defendant has a controlling interest or which is related to or affiliated with the Defendant, and the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party.

9. The members of the Class are so numerous that joinder of all members is impracticable. China Sunergy sold more than 8.5 million shares of common stock in the IPO. The precise number of Class members is unknown to Plaintiffs at this time but is believed to be in the thousands. In addition, the names and addresses of the Class members can be ascertained from the books and records of China Sunergy or its transfer agent or the underwriters to the IPO. Notice can be provided to such record owners by a combination of published notice and first-class mail, using

techniques and a form of notice similar to those customarily used in class actions arising under the federal securities laws.

10. Plaintiffs will fairly and adequately represent and protect the interests of the members of the Class. Plaintiffs have retained competent counsel experienced in class action litigation under the federal securities laws to further ensure such protection and intends to prosecute this action vigorously.

11. Plaintiffs' claims are typical of the claims of the other members of the Class because Plaintiffs' and all the class members' damages arise from and were caused by the same false and misleading representations and omissions made by or chargeable to Defendant. Plaintiffs do not have any interests antagonistic to, or in conflict with, the Class.

12. A class action is superior to other available methods for the fair and efficient adjudication of this controversy. Since the damages suffered by individual class members may be relatively small, the expense and burden of individual litigation make it virtually impossible for the class members to seek redress for the wrongful conduct alleged. Plaintiffs know of no difficulty that will be encountered in the management of this litigation that would preclude its maintenance as a class action.

13. Common questions of law and fact exist as to all members of the Class and predominate over any questions affecting solely individual members of the Class. Among the questions of law and fact common to the Class are:

(a) Whether the federal securities laws were violated by Defendant's acts as alleged herein;

- (b) Whether the prospectus and registration statement issued by Defendant to the investing public in connection with the IPO negligently omitted and/or misrepresented material facts about China Sunergy and its business; and
- (c) The extent of injuries sustained by members of the Class and the appropriate measure of damages.

SUBSTANTIVE ALLEGATIONS

14. Defendant China Sunergy and its subsidiaries engage in the design, development, manufacture, and marketing of solar cells in China. The Company manufactures solar cells from silicon wafers utilizing crystalline silicon solar cell technology to convert sunlight directly into electricity through a process, known as the photovoltaic effect. China Sunergy sells its solar cell products through direct sales force to module manufacturers and system integrators, who assemble its solar cells into solar modules and solar power systems for use in various markets worldwide. The Company was founded in 2004 and is based in Nanjing, China.

15. On or about May 14, 2007, China Sunergy filed with the SEC a Form F-1/A Registration Statement (the “Registration Statement”) for the IPO.

16. On or about May 17, 2007, the Prospectus (the “Prospectus”) with respect to the IPO, which forms part of the Registration Statement, became effective and, including the exercise of the over-allotment, more than 8.5 million shares of China Sunergy’s common stock were sold to the public at \$11.00 per share, thereby raising more than \$93.5 million.

17. The Registration Statement and Prospectus contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading and was not prepared in accordance with the rules and regulations governing its preparation.

18. The Registration Statement described the Company's recent financial results positively stating in pertinent part as follows:

We have experienced significant sales and revenue growth since we commenced operations. We sold 4.4 MW and 46.4 MW of solar cells in 2005 and 2006, respectively. Our net revenues increased from \$13.7 million in 2005 to \$149.5 million in 2006. We turned a net loss of \$0.3 million in 2005 into a net income of \$11.8 million in 2006.

19. The Registration Statement positively described the Company's relationships with solar power industry participants stating in pertinent part as follows:

Existing Relationships with Established Solar Power Industry Participants

We have an established network of relationships with a variety of upstream and downstream participants in the solar power industry which enhance our ability to manage our operations. We source our raw materials, including silicon wafers and other silicon-based raw materials, through various agreements with major manufacturers and trading companies. We also secure silicon wafers from some of our customers, and sell solar cells to them in return. These buy-and-sell arrangements not only ensure a portion of our raw material supplies and mitigate the risk of raw material price increases, but also strengthen our collaborative relationships with customers. We also procure polysilicon, silicon ingots and other silicon-based raw materials from various suppliers, and outsource the production of silicon wafers from these raw materials under toll manufacturing arrangements with third parties. Our diversified sourcing strategy provides us with the flexibility to effectively manage our raw material supply chain. **As of the date of this prospectus, we have entered into contracts and framework agreements for sufficient silicon raw material supplies to support our planned production of approximately 110 MW of solar cells in 2007, and we have also entered into contracts and framework agreements for silicon raw material supplies to support approximately 75% of our planned production capacity of approximately 210 MW of solar cells in 2008. The pricing terms under our framework agreements are to be further negotiated.** In addition, we have established relationships with module manufacturers in Asia and Europe. We believe this customer base will help us capture the expected solar power industry growth. [Emphasis added.]

20. The Registration Statement disclosed that the Company had sold a material portion of its polysilicon inventory in the quarter prior to the IPO stating in pertinent part as follows:

Compared to the three months ended December 31, 2006, our sales volumes and selling prices in the three months ended March 31, 2007 decreased primarily due to the seasonality of demand for solar power products and the decreases of the demand

for solar cells and market prices of solar cells after the solar cell market prices reached, in the third quarter of 2006, a peak over recent years. **As part of our working capital management, we reduced our inventory level by selling silicon raw materials, and generated US\$ 7.1 million of net revenues from such sales in the three months ended March 31, 2007. This was a one-time arrangement and we do not expect to engage in additional such sales in the near future.** [Emphasis added.]

21. The statements referenced above in ¶¶18-20 were inaccurate statements of material fact because they failed to disclose that the Company's sale of polysilicon prior to the IPO had forced it to rely more heavily on the spot market for its supply of polysilicon where prices were rising and the Company's margins would be negatively impacted by having to pay more for polysilicon

22. Under applicable SEC rules and regulations governing the preparation of the Registration Statement and Prospectus, the Registration Statement was required to disclose that the Company was then experiencing difficulties obtaining a sufficient supply of polysilicon due to its sales of polysilicon prior to the IPO and, as a result, was forced to pay escalating prices for polysilicon thereby negatively impacting its profits margins. The Registration Statement failed to contain any such disclosure.

23. The Registration Statement purported to warn about the risks that faced the Company due to the tight international supply of polysilicon a key manufacturing component of the Company's products. The Registration Statement, however, did not state that the Company's pre-IPO sale of polysilicon inventory had materially impacted its ability to produce its products and that it would need to more heavily rely on the spot market to obtain sufficient quantities of polysilicon.

24. On July 3, 2007, China Sunergy issued a press release announcing its preliminary sales and production volume figures of the second quarter of 2007, the period ending June 30, 2007. Among other things, the Company reported that its second quarter financial results were negatively

impacted by short supplies of polysilicon which had driven up the price of polysilicon in the spot market.

25. On July 27, 2007, China Sunergy announced that it had replaced its Chief Executive Officer.

26. On August 24, 2007, China Sunergy issued a press release announcing that its Chief Financial Officer had resigned. That same day the Company also issued a press release announcing its financial results for the second quarter of 2007. Among other things, the Company reported disappointing financial results due in material part to a shortage of polysilicon.

27. In response to this news, the price of China Sunergy common stock declined to \$5.91 per share on heavy trading volume.

COUNT I
Violations of Section 11 of the Securities Act

28. Plaintiffs repeat and reallege each and every allegation contained above.

29. This Count is brought pursuant to Section 11 of the Securities Act, 15 U.S.C. §77k, on behalf of the Class.

30. The Registration Statement for the IPO was inaccurate and misleading, contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and omitted to state material facts required to be stated therein.

31. China Sunergy is the registrant for the IPO. As issuer of the shares, China Sunergy is strictly liable to Plaintiffs and the Class for the misstatements and omissions.

32. By reasons of the conduct herein alleged, Defendant violated Section 11 of the Securities Act.

33. Plaintiffs acquired China Sunergy shares pursuant to the Registration Statement.

34. Plaintiffs and the Class have sustained damages. The value of China Sunergy common stock has declined substantially subsequent to and due to Defendant's violations.

35. At the times they purchased China Sunergy shares, Plaintiffs and other members of the Class were without knowledge of the facts concerning the wrongful conduct alleged herein. Less than one year has elapsed from the time that Plaintiffs discovered or reasonably could have discovered the facts upon which this complaint is based to the time that Plaintiffs filed this Complaint. Less than three years elapsed between the time that the securities upon which this Count is brought were offered to the public and the time Plaintiffs filed this Complaint.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, on behalf of themselves and the Class, pray for judgment as follows:

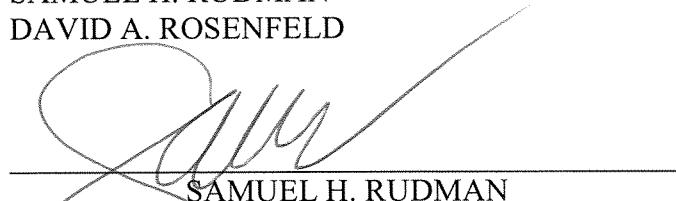
- A. declaring this action to be a plaintiff class action properly maintained pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure;
- B. awarding Plaintiffs and other members of the Class damages together with interest thereon;
- C. awarding Plaintiffs and other members of the Class their costs and expenses of this litigation, including reasonable attorneys' fees, accountants' fees and experts' fees and other costs and disbursements; and
- D. awarding Plaintiffs and other members of the Class such other and further relief as may be just and proper under the circumstances.

JURY TRIAL DEMANDED

Plaintiffs hereby demand a trial by jury.

DATED: October 31, 2007

COUGHLIN STOIA GELLER
RUDMAN & ROBBINS LLP
SAMUEL H. RUDMAN
DAVID A. ROSENFELD



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Attorneys for Plaintiffs

**CERTIFICATION OF NAMED PLAINTIFF
PURSUANT TO FEDERAL SECURITIES LAWS**

ANTHONY GIOMBETTI ("Plaintiff") declares:

1. Plaintiff has reviewed a complaint and authorized its filing.
2. Plaintiff did not acquire the security that is the subject of this action at the direction of plaintiff's counsel or in order to participate in this private action or any other litigation under the federal securities laws.
3. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.
4. Plaintiff has made the following transaction(s) during the Class Period in the securities that are the subject of this action:

Acquisitions:

Date Acquired	Number of Shares Acquired	Acquisition Price Per Share
5-31-07	1,000	11.80

Sales:

Date Sold	Number of Shares Sold	Selling Price Per Share

5. Plaintiff has not sought to serve or served as a representative party for a class in an action filed under the federal securities laws except as detailed below during the three years prior to the date of this Certification:

6. The Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery,

except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the court.

I declare under penalty of perjury that the foregoing is true and correct.
Executed this 13 day of September, 2007.



ANTHONY GIOMBETTI

**CERTIFICATION OF NAMED PLAINTIFF
PURSUANT TO FEDERAL SECURITIES LAWS**

DON VANDENHEUVAL ("Plaintiff") declares:

1. Plaintiff has reviewed a complaint and authorized its filing.
2. Plaintiff did not acquire the security that is the subject of this action at the direction of plaintiff's counsel or in order to participate in this private action or any other litigation under the federal securities laws.
3. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.
4. Plaintiff has made the following transaction(s) during the Class Period in the securities that are the subject of this action:

Acquisitions:

Date Acquired	Number of Shares Acquired	Acquisition Price Per Share
5/24/07	2000	\$13.75

Sales:

Date Sold	Number of Shares Sold	Selling Price Per Share

5. Plaintiff has not sought to serve or served as a representative party for a class in an action filed under the federal securities laws except as detailed below during the three years prior to the date of this Certification:

6. The Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery,

except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the court.

I declare under penalty of perjury that the foregoing is true and correct.
Executed this 13 day of September, 2007.

D E + J LIMITED PARTNERSHIP
By: Don Vandenheuvel
DON VANDENHEUVEL gen. part.